

County Connection

INTER OFFICE MEMO

To: Administration & Finance Committee

Date: November 1, 2017

From: Erick Cheung, Director of Finance

SUBJECT: Income Statements for the Fiscal Year Ended June 30, 2017

The attached unaudited County Connection Income Statements for Fiscal Year (FY) 2017 are presented for your review. The combined expenses of \$34,398,881 for Fixed Route and Paratransit, (Schedule 1), are -7.3% under the budget or -\$2,693,790. The expense categories with the most significant variances are:

Wages	\$(424,874)	(3.0)%	Operators' wages are lower by -\$82K and Other wages are lower by -\$342K due to vacancies.
Fringe Benefits	\$277,769	2.8%	Fringe Benefits for pension and medical are under by -\$204K and -\$276K, respectively, but offset by workers compensation settlements for \$705K.
Services	\$(386,132)	(17.8)%	Services are under budget due to lower promotions expense of -\$103K, legal services of -\$127K, and service repairs of -\$147K.
Materials & Supplies	\$(651,146)	(23.5)%	Materials and supplies are lower due to lower diesel fuel costs of -\$336K and fewer repair parts expenses of -\$204K.
Special Trip Services	\$(428,030)	(7.5)%	Lower paratransit ridership results in fewer trips.
Contingency	\$(800,000)	(100.0)%	Not needed based on expenses being under budget.

Fixed route and Paratransit revenues and expenses are presented on Schedules 2 and 3. Actual expenses are compared to the year-to-date approved budget. Fixed route expenses are -7.2% under budget and Paratransit expenses are -7.4% under budget.

The combined revenues are also under budget. The most significant variances:

Passenger fares/special fares	\$(394,991)	(7.7)%	Fixed route passenger fares/special fares are -\$339K lower than budget and Paratransit fares are -\$56K lower than budget. Compared to the same period in the prior year, Fixed route and Paratransit are lower by -\$206K or -4.6% and -\$34K or -6.3%, respectively.
Federal operating	\$(347,050)	(25.7)%	Federal paratransit revenue is lower due to lower than expected expenses.
TDA revenue earned	\$(1,719,972)	(8.9)%	TDA revenue is lower due to lower than expected expenses.

Other operating assistance \$(457,395) (19.0)% LCTOP funds received award of \$615K with \$308K for Martinez Shuttle and \$307K for Electric Trolley Capital. Budget originally assumed LCTOP funding of \$573K for operations.

Fixed Route Operator Wages (Schedule 4)

Schedule 4 compares various components of operator wages with the budget.

- Platform (work time) is 0.7% over budget.
- Guarantees is -24.9% under budget
- Overtime is 4.5% over budget.
- Training is -15.6% under budget.
- Overall wages for operators are -1.0% under budget.

Statistics (Schedule 6)

Schedule 6 provides selected statistical information for the current year compared to the last two years:

Fixed route:

- Passenger fares/special fares are -4.6% less than FY 2016 and -7.6% less than FY 2015.
- The farebox recovery ratio is less than FY 2016 and FY 2015. The ratio is 14.6% in FY 2017; 15.7% in FY 2016 and 16.3% in FY 2015.
- Operating expenses are 2.7% more than in FY 2016 and 3.2% more than in FY 2015.
- Fixed route revenue hours are -3.1% less than FY 2016 and -0.2% more than FY 2015.
- The cost per revenue hour has increased 6.0% compared to FY 2016 and 3.4% compared to FY 2015.
- Passengers have decreased -6.0% compared to FY 2016 and -3.6% compared to FY 2015.
- The cost per passenger has increased 9.3% compared to FY 2016 and 7.0% compared to FY 2015.
- Passengers per revenue hour has decreased -3.0% compared to FY 2016 and -3.4% compared to FY 2015.

Paratransit:

- Passenger fares have decreased -6.3% compared to FY 2016 and -6.9% compared to FY 2015.
- The farebox ratio is less than FY 2016 and FY 2015. The ratio is 9.9% in FY 2017; 10.2% in FY 2016; and 10.8% in FY 2015.
- Expenses have decreased -3.5% compared to FY 2016 and increased 2.0% compared to FY 2015.
- Revenue hours are -8.5% less than FY 2016 and -5.3% in FY 2015.
- Passengers have decreased -5.2% compared to FY 2016 and -6.9% compared to FY 2015.
- The cost per passenger has increased 1.8% since FY 2016 and 9.6% compared to FY 2015.
- Paratransit passengers per revenue hour have increased 3.6% compared to FY 2016 and decreased -1.7% compared to FY 2015.

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2017 Year to Date Comparison of Actual vs Budget
Combined Fixed Route and Paratransit Income Statement
For the Fiscal Year Ended June 30, 2017

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 3,275,962	\$ 3,733,200	\$ (457,238)	-12.2%
Special fares	1,480,747	1,418,500	62,247	4.4%
	4,756,709	5,151,700	(394,991)	-7.7%
Advertising	608,420	609,122	(702)	-0.1%
Safe Harbor lease	10,840	4,080	6,760	165.7%
Other revenue	127,988	100,620	27,368	27.2%
Federal operating	1,002,950	1,350,000	(347,050)	-25.7%
TDA earned revenue	17,655,611	19,375,583	(1,719,972)	-8.9%
STA revenue	2,282,072	2,119,026	163,046	7.7%
Measure J	6,008,582	5,979,436	29,146	0.5%
Other operating assistance	1,945,709	2,403,104	(457,395)	-19.0%
	29,642,172	31,940,971	(2,298,799)	-7.2%
Total Revenue	\$ 34,398,881	\$ 37,092,671	\$ (2,693,790)	-7.3%
Expenses				
Wages- Operators	\$ 7,967,150	\$ 8,050,000	\$ (82,850)	-1.0%
Wages-Other	5,738,988	6,081,012	(342,024)	-5.6%
	13,706,138	14,131,012	(424,874)	-3.0%
Fringe Benefits	10,072,982	9,795,213	277,769	2.8%
Services	1,783,219	2,169,351	(386,132)	-17.8%
Materials & Supplies	2,118,404	2,769,550	(651,146)	-23.5%
Utilities	320,063	446,400	(126,337)	-28.3%
Insurance	676,984	711,345	(34,361)	-4.8%
Taxes	184,435	285,900	(101,465)	-35.5%
Leases and Rentals	48,466	46,000	2,466	5.4%
Miscellaneous	178,780	200,460	(21,680)	-10.8%
Special Trip Services	5,309,410	5,737,440	(428,030)	-7.5%
Operations	34,398,881	36,292,671	(1,893,790)	-5.2%
Contingency Reserve	-	800,000	(800,000)	-100.0%
Total Expenses	\$ 34,398,881	\$ 37,092,671	\$ (2,693,790)	-7.3%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	290,727	304,225	(13,498)	-4.4%
Cost per Rev Hr	\$ 118.15	\$ 121.77	\$ (3.62)	-3.0%
Passengers	3,605,462	3,833,983	(228,521)	-6.0%
Cost per Passenger	\$ 9.54	\$ 9.67	\$ (0.13)	-1.4%
Farebox ratio	13.8%	13.9%	-0.1%	-0.4%
<i>(fares,spec fares/Oper exp-w/o contingency-leases)</i>				

Schedule 1-Combined Fixed Route & Paratransit

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2017 Year to Date Comparison of Actual vs Budget
Fixed Route Income Statement
For the Fiscal Year Ended June 30, 2017

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 2,760,780	\$ 3,162,000	\$ (401,220)	-12.7%
Special fares	1,480,747	1,418,500	62,247	4.4%
	4,241,527	4,580,500	(338,973)	-7.4%
Advertising	608,420	609,122	(702)	-0.1%
Safe Harbor lease	10,840	4,080	6,760	165.7%
Other revenue	127,988	100,520	27,468	27.3%
TDA earned revenue	16,228,987	17,969,037	(1,740,050)	-9.7%
STA revenue	1,658,179	1,456,880	201,299	13.8%
Measure J	4,493,370	4,473,054	20,316	0.5%
Other operating assistance	1,810,197	2,263,104	(452,907)	-20.0%
	24,937,981	26,875,797	(1,937,816)	-7.2%
Total Revenue	\$ 29,179,508	\$ 31,456,297	\$ (2,276,789)	-7.2%
Expenses				
Wages- Operators	\$ 7,967,150	\$ 8,050,000	\$ (82,850)	-1.0%
Wages-Other	5,666,172	5,982,523	(316,351)	-5.3%
	13,633,322	14,032,523	(399,201)	-2.8%
Fringe Benefits	10,021,260	9,739,528	281,732	2.9%
Services	1,756,446	2,153,251	(396,805)	-18.4%
Materials & Supplies	2,114,113	2,766,150	(652,037)	-23.6%
Utilities	296,670	421,000	(124,330)	-29.5%
Insurance	676,984	711,345	(34,361)	-4.8%
Taxes	184,435	285,500	(101,065)	-35.4%
Leases and Rentals	48,466	46,000	2,466	5.4%
Miscellaneous	178,398	199,560	(21,162)	-10.6%
Purchased Transportation	269,414	301,440	(32,026)	-10.6%
Operations	29,179,508	30,656,297	(1,476,789)	-4.8%
Contingency Reserve	-	800,000	(800,000)	
Total Expenses	\$ 29,179,508	\$ 31,456,297	\$ (2,276,789)	-7.2%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	220,931	227,916	(6,985)	-3.1%
Cost per Rev Hr	\$ 131.86	\$ 137.82	\$ (5.96)	-4.3%
Passengers	3,468,172	3,689,110	(220,938)	-6.0%
Cost per Passenger	\$ 8.41	\$ 8.53	\$ (0.11)	-1.3%
Passengers per Rev Hr	15.70	16.19	(0.49)	-3.0%
Farebox recovery ratio	14.6%	15.0%	-0.4%	-2.7%
<i>(fares,spec fares/Oper exp-w/o contingency-leases)</i>				

Schedule 2-Fixed Route

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Paratransit Income Statement
FY 2017 Year to Date Comparison of Actual vs Budget
For the Fiscal Year Ended June 30, 2017

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 515,182	\$ 571,200	\$ (56,018)	-9.8%
Special fares	-	-	-	0.0%
	515,182	571,200	(56,018)	-9.8%
Other revenue	-	100	(100)	-100.0%
Federal operating	1,002,950	1,350,000	(347,050)	-25.7%
TDA earned revenue	1,426,624	1,406,546	20,078	1.4%
STA revenue	623,893	662,146	(38,253)	-5.8%
Measure J	1,515,212	1,506,382	8,830	0.6%
Other operating assistance	135,512	140,000	(4,488)	-3.2%
	4,704,191	5,065,174	(360,983)	-7.1%
Total Revenue	\$ 5,219,373	\$ 5,636,374	\$ (417,001)	-7.4%
Expenses				
Wages-Other	\$ 72,816	\$ 98,489	\$ (25,673)	-26.1%
	72,816	98,489	(25,673)	-26.1%
Fringe Benefits	51,722	55,685	(3,963)	-7.1%
Services	26,773	16,100	10,673	66.3%
Materials & Supplies	4,291	3,400	891	26.2%
Utilities	23,393	25,400	(2,007)	-7.9%
Taxes	-	400	(400)	-100.0%
Miscellaneous	382	900	(518)	-57.6%
Special Trip Services	5,039,996	5,436,000	(396,004)	-7.3%
Total Expenses	\$ 5,219,373	\$ 5,636,374	\$ (417,001)	-7.4%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	69,796	76,309	(6,513)	-8.5%
Cost per Rev Hr	\$ 74.78	\$ 73.86	\$ 0.92	1.2%
Passengers	137,290	144,873	(7,583)	-5.2%
Cost per Passenger	\$ 38.02	\$ 38.91	\$ (0.89)	-2.3%
Passengers per Rev Hr	1.97	1.90	0.07	3.6%
Farebox ratio	9.9%	10.1%	-0.3%	-2.6%
<i>(fares,spec fares/Oper exp-leases)</i>				

Schedule 3- Paratransit

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Operator Wages
For the Fiscal Year Ended June 30, 2017

	Year to Date		Variance	% Variance
	Actual	Budget		
Platform/report/turn in	\$ 6,459,525	\$ 6,416,901	\$ 42,625	0.7%
Guarantees	260,832	347,313	(86,481)	-24.9%
Overtime	317,783	304,150	13,633	4.5%
Spread	173,891	171,170	2,721	1.6%
Protection	325,854	316,734	9,120	2.9%
Travel	229,882	222,620	7,262	3.3%
Training	167,147	198,056	(30,909)	-15.6%
Other Misc	32,236	73,057	(40,821)	-55.9%
	\$ 7,967,150	\$ 8,050,000	\$ (82,850)	-1.0%

Schedule 4- Operator Wages

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Other Revenue; Other Operating Assistance; Miscellaneous Expenses
For the Fiscal Year Ended June 30, 2017

Other Revenue	
Investment income (interest)	\$ 44,240
ADA Database Management revenue	75,000
Paypal Shipping revenue	1,056
RTC card revenue	2,284
Accounts payable discount	1
Various	5,407
	\$ 127,988
Other Operating Assistance	
RM2	\$ 145,339
BART feeder revenue	693,935
LCTOP	305,582
Lifeline grant	500,000
Homeland Security ITS	149,678
Special planning grant	15,663
	\$ 1,810,197
Miscellaneous Expenses	
Board Travel Expense	\$ 20,653
Staff Travel Expense	56,048
CTA Conference	14,236
APTA Dues	35,029
Employee functions	30,409
Business Expense, GM	2,982
Business Expense, Transportation	346
Business Expense, Finance	2,730
Employee Awards/Pins	4,376
Paypal fees	3,102
Training	7,834
Various other	653
	\$ 178,398

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2017 Year to Date Comparison of FY 2016 Actual & FY 2015 Actual
Statistics
For the Fiscal Year Ended June 30, 2017

	Actual FY2017	Actual FY2016	Variance Actual 2017 to Actual 2016	Actual FY2015	Variance Actual 2017 to Actual 2015
Fixed Route					
Fares	\$ 2,760,780	\$ 3,000,325	-8.0%	\$ 3,205,910	-13.9%
Special Fares	1,480,747	1,447,303	2.3%	1,386,527	6.8%
Total Fares	\$ 4,241,527	\$ 4,447,628	-4.6%	\$ 4,592,437	-7.6%
Fares box recovery ratio	14.6%	15.7%	-7.2%	16.3%	-10.5%
Operating Exp (Less leases & adjust for GASB 68)	\$ 29,131,042	\$ 28,354,932	2.7%	\$ 28,225,262	3.2%
Revenue Hours	220,931	227,916	-3.1%	221,320	-0.2%
Cost per Rev Hour	\$ 131.86	\$ 124.41	6.0%	\$ 127.53	3.4%
Passengers	3,468,172	3,689,110	-6.0%	3,597,054	-3.6%
Cost per Passenger	\$ 8.40	\$ 7.69	9.3%	\$ 7.85	7.0%
Passengers per Rev Hr	15.70	16.19	-3.0%	16.25	-3.4%

Paratransit

Fares	\$ 515,182	\$ 549,620	-6.3%	\$ 553,521	-6.9%
Fares box recovery ratio	9.9%	10.2%	-2.9%	10.8%	-8.8%
Operating Exp (Less leases)	\$ 5,219,373	\$ 5,408,836	-3.5%	\$ 5,117,037	2.0%
Revenue Hours	69,796	76,309	-8.5%	73,717	-5.3%
Cost per Rev Hour	\$ 74.78	\$ 70.88	5.5%	\$ 69.41	7.7%
Passengers	137,290	144,873	-5.2%	147,495	-6.9%
Cost per Passenger	\$ 38.02	\$ 37.34	1.8%	\$ 34.69	9.6%
Passengers per Rev Hr	1.97	1.90	3.6%	2.00	-1.7%